

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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March 23, 2004

FROM: GARY PENROD, Sheriff
Sheriff's Department

SUBJECT: FIFTH AMENDMENT TO CONTRACT NO. 97-165 WITH PEOPLESOFT, INC. FOR
SOFTWARE MAINTENANCE AND SUPPORT FEES OF HUMAN RESOURCES
SOFTWARE MODULES

RECOMMENDATION: Approve Fifth Amendment to Contract No. 97-165 with Peoplesoft, Inc. for Software Maintenance and Support Fees of human resources software modules, in the amount of \$130,327.79, for a total amount of \$377,744.39 (exclusive of sales tax) for the Sheriff's Department.

BACKGROUND INFORMATION: The County currently has a Software License and Services Support Agreement (97-165) with PeopleSoft USA, Inc. for the use of their Human Resources Management Software (HRMS) software for Human Resources, Benefits, and Benefits and Payroll administration. The products that comprise this system are utilized in the Employee Management and Compensation System (EMACS). The County selected the PeopleSoft's HRMS software in 1997 from an extensive RFP process that included County Administrative Office, Human Resources, Auditor-Controller/Recorder, and Information Services Department. This system is structured using a modular concept that allows users to add additional functionality as their business requirements change by adding a software module that supports that need. This is a more cost-effective approach than buying all of the available software modules at one time.

The Sheriff's Department maintains human resources data on approximately 3,000 employees and over 2,000 active volunteers. On December 18, 2001, the Board of Supervisors approved the Third Amendment to Contract No. 97-165 with PeopleSoft for the purchase, installation, training, and support of human resources software modules for the Sheriff's Department. The First, Second, and Fourth Amendments were submitted by Information Services Department, and are not directly related to the Sheriff's support services.

This contract is being amended, in the amount of \$130,327.79, for software maintenance and support fees of the Sheriff's human resources software modules from December 27, 2003 through December 26, 2005. PeopleSoft retains the proprietary right to maintain its software as a part of this agreement. All future maintenance renewals will necessarily be procured through PeopleSoft.

REVIEW AND APPROVAL BY OTHERS: This item has been reviewed and approved as to form by County Counsel (Jean-Rene Basle, Deputy County Counsel, 387-5477) on March 9, 2004; and has been reviewed by County Information Services Department (Leyden L. Hahn, Chief Information Officer, 388-5501) on March 11, 2004, and the County Administrative Office (Laurie Rozko, Administrative Analyst, 387-8997) on March 12, 2004.

FINANCIAL IMPACT: The annual software maintenance and support fees for this year, in the amount of \$62,835.16, was included in the Sheriff's Department Budget for 2003-04. This contract amendment, in the amount of \$130,327.79, for a total amount of \$377,744.39 (exclusive of sales tax) for the Sheriff's Department, will cover the software maintenance and support fees through December 26, 2005. The annual maintenance cost will be included in the Sheriff's Department Budget for 2004-05 and 2005-06, respectively.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal since it provides for continued maintenance of the department's human resources software modules and will be funded within the department's existing budget allocation.

SUPERVISORIAL DISTRICT(S): All

PRESENTER: Richard Beemer, Captain, 387-3637

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